

~~SECRET~~

Approved For Release 2000/08/07 : CIA-RDP81-00755R000200190009-4

Special Contracting Officer

24 October 1951

Finance Division

Contractual terms and principles.

Contract Employees - Correspondence

REFERENCE: Memorandum dated 17 September 1951 to the Office of General Counsel from the Special Contracting Officer, Subject same as above.

1. Experience has proven the difficulty and futility in many cases in obtaining necessary documentation and information currently to pay the standard allowances in accordance with CIA Regulations to contract agents. It is felt that the relationship with contract agents is usually at arm's length and accordingly administrative controls and detailed acceptable documentation and claims are not always practical. Any step toward simplicity (to the extent of greater or lesser monetary benefits to the individual agent) is a step forward in better, more current and accurate financial servicing.
2. Though it is difficult to provide a single policy, equitable in every detail, to each agent under the many unusual assignments now being undertaken, the present complex contracts each unique in itself, results in expensive and time consuming administration in an attempt to follow the terms of the contracts to the letter.
3. It is suggested that consideration be given to executing an interim contract to cover a training period or a period when the assignment and cover arrangements are not clear. A new contract could be written when the details of the assignment, cover allowances, etc. are known. It is further suggested for contract agents that a fixed salary and a fixed allowance payable under all conditions be authorized. CIA payments could be reduced by the total of all compensation paid by the cover whether government, commercial or private. Careful consideration may be made to the operating office's intentions relative to bonuses, overtime, separations from dependents and to the agent's area, assignment, cover, etc.; to provide an adequate, fair salary and allowance to compensate the agent for his expenses and effort. A careful review of each prospective agent should enable the Contracting Officer to fix salary and allowances as appropriate. Periodic reviews by the Contracting Officer could adjust fixed payments as individual situations change.

Approved For Release 2000/08/07 : CIA-RDP81-00755R000200190009-4

~~SECRET~~

~~SECRET~~

Approved For Release 2000/08/07 : CIA-RDP81-00755R000200190009-4

~~SECURITY INFORMATION~~

- 2 -

4. It is suggested that a meeting be called by the Special Contracting Officer with representatives from General Counsel, Finance Division and the operating offices to discuss the specific difficulties encountered in the administration of these contracts with a view toward establishing a clear, concise, workable contract which may be applied for the majority of contract agents.

[REDACTED]
Acting Chief, Finance Division

25X1A9a

Approved For Release 2000/08/07 : CIA-RDP81-00755R000200190009-4

~~SECRET~~